United Nations A/64/504

General Assembly

Distr.: General
27 October 2009

Original: English

Sixty-fourth session
Agenda item 58 (b)
Operational activities for development:
South-South cooperation for development

Promotion of South-South cooperation for development: a thirty-year perspective

Report of the Secretary-General

Summary

The present report responds to resolutions 62/209 of 19 December 2007 and 63/233 of 19 December 2008, by which the General Assembly decided to convene a High-level United Nations Conference on South-South Cooperation. It was decided subsequently to accept the invitation of the Government of Kenya to convene the meeting at the highest possible level in Nairobi, from 1 to 3 December 2009. The Nairobi Conference is to review the promotion of South-South cooperation for development from the United Nations Conference on Technical Cooperation among Developing Countries, held in Buenos Aires in 1978, to the present. This report reviews the implementation of the Buenos Aires Plan of Action in that period by Member States and organizations of the United Nations system. In keeping with the various levels of implementation recommended in the Buenos Aires Plan of Action, the report reviews action at the national, regional, interregional and global levels. Against the background of lessons learned in the past 30 years, the report highlights key priorities for South-South cooperation in the years ahead.

09-58097 (E) 131109

Please recycle

Contents

		Page
I.	Introduction	3
II.	South-South cooperation for development: historical context	3
III.	Trends in implementation	8
	A. Developing countries	8
	B. Developed countries	11
	C. Regional and interregional initiatives	13
	D. United Nations support to South-South cooperation	15
IV.	New opportunities and challenges	19
	A. South-South cooperation in global negotiations	19
	B. South-South cooperation in trade, finance and investment	20
	C. Pressing challenges	22
V.	Conclusions and recommendations	24

I. Introduction

1. In a volatile international environment, the cooperation of developing countries with each other has been a steadying and positive factor in their attainment of impressive but uneven socio-economic gains. Such cooperation began in the 1950s, but it was not until the United Nations Conference on Technical Cooperation among Developing Countries, held in Buenos Aires from 30 August to 12 September 1978, that it was approached in a strategic framework.

2. The Conference was part of a broad effort by developing countries to cooperate in accelerating their economic and social development, and close the gap between themselves and the industrialized countries that had opened up during the colonial period.

3. The present report reviews 30 years of South-South cooperation under the aegis of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries by Member States and United Nations organizations and agencies. The report finds that:

(a) Developing countries as a group now have the entire range of modern technical competencies, with centres of excellence in key areas that have increased their national and collective self-reliance;

(b) Many developing countries also continue to suffer from serious socio-economic deficits, and some are not on track to achieve the minimum goals set by the Millennium Summit of the General Assembly;

(c) A growing number of developing countries with pivotal roles in South-South cooperation are becoming middle-income economies and the largest of them are gaining a voice in global governance;

(d) Regional integration has fuelled economic progress, leading to further expansion of South-South flows of finance, technology and trade;

(e) The industrial growth of the South poses growing environmental problems;

(f) United Nations agencies and programmes have had a key role in promoting cooperation among developing countries, but stronger mechanisms for coordination, monitoring, funding and reporting are needed to further improve their performance.

II. South-South cooperation for development: historical context

Strategic goals and objectives of South-South cooperation

4. The 38 recommendations in the Buenos Aires Plan of Action[1] consist of 14 directed at national governments, 7 to be implemented at the regional level, 1 interregionally and 16 globally (see also http://ssc.undp.org/ for the full text). The overall objective of the Plan is for developing countries to foster national and

[1] *Report of the United Nations Conference on Technical Cooperation among Developing Countries, Buenos Aires, 30 August-12 September 1978* (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

collective self-reliance by promoting cooperation in all areas. The aim is to supplement, not supplant, cooperation with developed countries.

5. In sum, the Plan articulated the same three strategic aims that developing countries have collectively pursued for over six decades: to strengthen their economic, social and political interdependence, accelerate development, and correct distortions in international systems caused by the asymmetrical power relations of the colonial era. Using implementation of the Plan to assess the progress of South-South cooperation allows progress to be measured at both technical and strategic levels.

Extensive but uneven progress

6. During the last three decades developing countries have made extensive technical and technological progress, most of it owing to their own efforts, but aided by the globalization of the world economy brought about by the end of the cold war and technological advances. The collective capabilities of developing countries have broadened to such a degree that they can now offer each other goods and services that were only available from developed countries a few decades ago. Developing countries have also become major providers of high technology goods and services to developed countries.[2] There are centres of excellence dotting the developing world that span the technological and service spectrum. These changes have engendered opportunities for transnational corporations to scale up interactions of developing countries to levels which have reconfigured global patterns of trade and investment.

7. The three decades since the Buenos Aires Conference have seen a clear if uneven progression. The first decade laid the foundations for action with the appointment of national focal points and clarification of concepts and procedures. The second decade saw a proliferation of projects and programmes as attitudinal barriers fell, conceptual misunderstandings were resolved, and South-South cooperation was redirected to deal with globalization. The third decade has seen a very large expansion of South-South trade, investment and tourism mainly guided by policy reforms and driven by the private sector. These interactions are more evident in regions where governments collaborate to create treaty-based regional and subregional arrangements for the provision of public goods such as infrastructure, legal and regulatory frameworks that facilitate trade and other beneficial interactions. Africa and Latin America have fostered regional integration efforts by creating basic institutions necessary for intercountry cooperation and coordination at subregional and regional levels. Asia has made considerable headway towards creating a regional transport infrastructure of railway and highway systems. This has led to the creation and maximization of regional production chains that have changed the pattern of global resource and investment flows and caused a significant reduction in poverty levels.

Collective bargaining and technological advancement

8. The new economic heft of the largest developing countries has led to their inclusion in meetings of the leading industrialized countries, and the formation of a new grouping, the Group of 20, which has emerged as the pre-eminent forum for

[2] Antoine van Agtmael in *The Emerging Markets Century*, (New York, Free Press, 2007).

global consultations on international economic matters. In trade negotiations and talks on climate change, developing countries have emerged as make-or-break players.

9. Increasing technical competence has moved many developing countries closer to some of their other strategic goals. As a group they have become the fastest growing segment of the world economy. The growth of national and collective self-reliance is clearly evident in their ability to sustain growth, albeit at a slower pace, during the current devastating recession in the developed countries.

Adjusting to globalization

10. As economic globalization speeded up after the cold war, the General Assembly responded to an initiative of the Group of 77 and called for a study on how technical cooperation among developing countries should be reoriented. In resolution 50/119 of 20 December 1995, it endorsed the findings of a report (TCDC/9/3) by the United Nations Development Programme (UNDP) recommending a number of "new directions" to meet the challenges of rapid globalization.

11. The recommendations included a more strategic orientation for technical cooperation among developing countries, with focus on priority issues such as trade and investment, debt, the environment, poverty alleviation, production and employment, macroeconomic policy coordination, education, health, the transfer of technology and rural development. The General Assembly also called upon all Governments and relevant United Nations organizations to consider increasing allocations for economic and technical cooperation among developing countries and to identify new funding modalities such as triangular cooperation and private sector funding. Governments and developing country institutions were called upon to increase cooperation for strengthened scientific and technological capabilities, including demand-oriented information networks.

12. The New Directions initiative coincided with the post-cold war adoption of more market-oriented economic policies by developing countries. China adopted an export-led approach to growth, attracting massive foreign investment in its manufacturing sector, which was incorporated into regional production chains serving global markets. As East Asian manufacturing and exports boomed, so did commodity imports to feed their factories, much of the increase from Africa and Latin America. The impact was dramatic. South-South merchandise trade grew from $577 billion in 1995 to more than $2 trillion in 2006, and accounted for 20 per cent of world trade in 2007. Interregionally, since 1990, trade between Africa and China and India boomed (see figures 1 and 2). India vaulted to a position of global leadership in the information services industry because of the "Y2K" scare, which allowed Indian software engineers to overcome attitudinal barriers and market their skills to Western corporations.

Figure 1. China-Africa trade, 1990-2007 (in millions of dollars)[a]

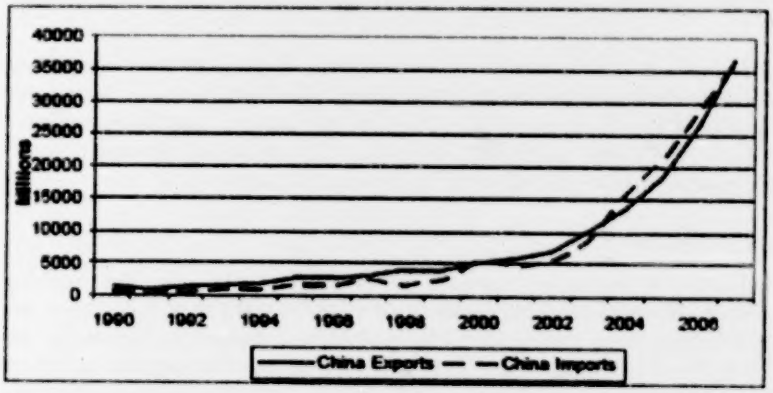
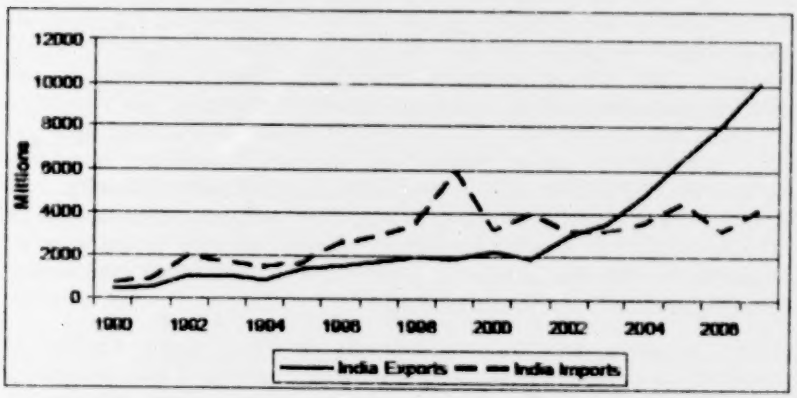


Figure 2. India-Africa trade, 1990-2007 (in millions of dollars)[a]



[a] Kaplinsky, Raphael and Masuma Farooki (2009), "Africa's Cooperation with New and Emerging Development Partners: options for Africa's development"; report prepared for the Office of the Special Adviser on Africa, Department of Economic and Social Affairs of the United Nations Secretariat.

13. In Africa, where booming commodity prices accelerated economic growth in many countries, South African companies steered the rapid spread of mobile telephone networks to urban and rural areas across the continent. Spurred on by the African Union and its New Partnership for Africa's Development initiative, many African countries undertook a range of socio-economic reforms that have aided flows of new South-South investments, particularly in nations with strategic natural resources. The great need, however, is to ensure that the new revenues are directed towards crucial human development. In Latin America, Brazil benefited from the commodity boom and also the increased demand in developing countries for its high technology exports.

Fostering multilateralism and attracting new actors

14. Many recent socio-economic gains in the South occurred because of new regional treaties, as developing countries sought shelter from the globalization-related demands of the World Trade Organization (WTO), which they felt did not pay sufficient attention to their vulnerabilities.

15. Economic success gave new energy to South-South cooperation. In 2003, in the Marrakesh Declaration on South-South Cooperation adopted at a meeting convened by the Group of 77 in Morocco, developing countries expressed "the conviction that the South-South cooperation is more needed today than ever" and, further, that "[n]o single country, even the most advanced among developing countries, has much hope of reaching individually expected growth and development and influencing outcomes of [the] international agenda. But, collectively, our countries can play a more effective role in achieving development objectives and in shaping international relations". They agreed to work on the "necessary interface between the modalities for North-South and South-South cooperation".[3]

16. Significantly, developed countries have endorsed South-South cooperation in at least three important world conferences: the Third United Nations Conference on the Least Developed Countries (2001), the International Conference on Financing for Development (2002 and 2008), and the World Summit on Sustainable Development (2002). South-South cooperation has also increasingly featured in the deliberations of the Group of Eight. With the recent formation of the Group of 20, South-South and triangular cooperation is gaining new geopolitical meaning.

17. Non-governmental organizations, especially those with scientific and technical competence, have also entered the South-South process to transmit new flows of information and expertise in areas often overlooked by corporations and governments.

Challenges of sustainable human development

18. Mass poverty continues to be the most serious challenge in many developing countries, including those with the largest and most dynamic economies. Millions of their people live in hunger, deprived of clean drinking water, adequate shelter, medical care, fuel and sanitation. Unemployment, underemployment, and lack of decent work remain major problems for almost all developing countries. Most African countries are not on track to meet the Millennium Development Goals set for 2015 at the Millennium Summit of the General Assembly in 2000 (see resolution 55/2). This situation underscores the need for developing countries to scale up their cooperation to higher levels and give it much greater priority. While committing verbally to South-South cooperation, few developing countries have made it a priority in terms of establishing clear policies and institutional mechanisms to coordinate, monitor and fund sufficient large-scale or strategic cross-border initiatives.

19. Another critical constraint has been paucity of finance. Funding of South-South cooperation has been enough to demonstrate its effectiveness at the project and programme levels but wholly inadequate to give it larger impact, except in East

[3] A/58/683, annex I, paras. 3 and 4.

and South-East Asia, where corporations invested massively in establishing regional production chains to serve global markets. A third constraint has been lack of information supportive of South-South cooperation, as global and regional flows do little to support South-South cooperation processes.

20. The rapidity with which manufacturing and trade developed in East Asia, and their impact on poverty — the number of people living on $1.25 a day shrank globally, from 1.8 billion in 1990 to 1.4 billion in 2005[4] — holds out hope of similar progress in other parts of the developing world. However, the objective of achieving a higher standard of living for all 5.6 billion[5] people in developing countries has raised the sobering question of environmental impact. With the threat of climate change resulting in the loss of biodiversity, in food insecurity and the rapid spread of old and new communicable diseases, it is clear that development plans must take these factors into account or risk losing the gains achieved.

21. As two billion people in developing countries rise from poverty and another two billion seek a more affluent life, to minimize adverse effects policymakers will have to pursue economic growth that is simultaneously conducive to human welfare and environmental health. Cooperation among developing countries has the potential to establish such a model by incorporating and implementing the principles of sustainable human development. Along that development path South-South cooperation can be a powerful factor in achieving internationally agreed development goals, including the Millennium Development Goals.

III. Trends in implementation

A. Developing countries

Lead role of emerging economies

22. South-South cooperation runs the gamut of developmental activities, from distributing single products, such as deep borehole hand pumps and oral rehydration salts, to complex programmes for combating HIV/AIDS, building electronic communications systems and conducting scientific research. Space limitations of the preset report preclude a comprehensive listing, and rigorous analysis is also limited by the paucity of reliable data.

23. In the first decade of the Buenos Aires Plan of Action, some developing countries emerged to play a pivotal role in South-South cooperation. At the request of the High-level Committee on the Review of Technical Cooperation among Developing Countries, the Special Unit for South-South cooperation in 1997 convened a meeting of 25 such pivotal countries, each with technical capacity and political will, an explicit national technical cooperation policy, a well-established focal point, a database of available capabilities, and adequate budgetary resources. The 25 pivotal countries were in every region: Ghana, Mauritius, Nigeria, Senegal and South Africa in Africa; China, India, Indonesia, Malaysia, Pakistan, Singapore and Thailand in Asia; Egypt and Tunisia in the Middle East; Malta and Turkey in Central and Eastern Europe; and Argentina, Brazil, Chile, Colombia, Costa Rica,

[4] See *Millennium Development Goals Report 2009* (United Nations publication, Sales No. E.09.I.12), p. 4.

[5] *World Population Prospects: The 2008 Revision*, Executive Summary, p. 5.

Cuba, Mexico, Peru and Trinidad and Tobago in Latin America and the Caribbean. Brazil, China, India and South Africa, the leading pivotal countries, exemplify how years of indigenous effort to build technical competence develop capacity to provide assistance, technology transfer, policy exchanges and funding.

24. The number of countries actively engaged in South-South cooperation has grown far beyond the number in 1997, but a select number of countries continue to play a leading and pivotal role. China and India are in a category of their own because of the scale and diversity of their South-South cooperation agendas. Both have ongoing technical assistance initiatives that cover almost all areas of interest to other developing countries, and both have, in the last decade, taken to underpinning technical assistance with financial support.

25. China has extended billions of dollars in commercial and concessional loans to African countries to develop and bring to market a range of agricultural and mineral commodities. In 2000 it reduced or forgave over $1 billion in debt incurred by least developed countries.

26. India has spent a cumulative $2 billion on its technical assistance programme, about 40 per cent on education and training, another 40 per cent on projects and project-related advisory services, and 20 per cent mainly on study tours, cultural exchanges and disaster relief.

27. In Africa, Nigeria has promoted South-South cooperation through the Nigeria Trust Fund of some $432 million, established in 1976 and operated through the African Development Bank. It has been used to finance national and regional projects through low-interest loans and to support the Heavily Indebted Poor Countries Initiative. In 2001, the $25 million Nigeria Technical Cooperation Fund was established under the management of the African Development Bank to finance scientific research and technological development in Africa.

28. Another South-South cooperation powerhouse is South Africa. It has forged cooperative links throughout sub-Saharan Africa bilaterally and through regional forums. A notable bilateral agreement has been the Maloti-Drakensberg Transfrontier Conservation and Development Project with landlocked Lesotho, to protect the biodiversity and promote sustainable development in the Drakensberg and Maloti Mountain areas straddling their common border. The project will protect rock art in the mountains and offers opportunities for economic development based on natural and cultural resources. The South Africa Truth and Reconciliation Commission has served as a model for many countries recovering from violent conflict. The massive investments made by South Africa in the rest of Africa are also accompanied by commendable peacekeeping missions on the continent.

29. Other pivotal countries have engaged in a wide range of programmes, including some that are uniquely innovative. The Caracas-based Bolivar Programme, initiated in 1993 by Venezuela under the auspices of the Economic Commission for Latin America and the Caribbean, forged links among research and commercial enterprises in seven other countries (Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico and Uruguay) to establish or improve the capacity of the region for innovation in industrial production, expansion of product markets and increased competitiveness. The programme has worked through a range of public and private groups, including chambers of commerce, universities and financial institutions, all of which are empowered to collect and process proposals for

collaboration, conduct market studies, and establish networks — including professional bodies of financiers, lawyers, entrepreneurs, businessmen and researchers — for consultation and action.

Addressing transnational challenges

30. South-South cooperation has also focused on dealing with topical issues of urgent concern to developing countries. In 1999, Indonesia hosted a series of interregional meetings on issues raised by globalization, including social safety nets, poverty alleviation policies and trade policies. In 2000, Tunisia organized a seminar on external debt for 24 African countries. The same year, Peru led an effort by Chile, Colombia, Ecuador and Panama to better understand and deal with the impact of the El Niño phenomenon.

31. South-South cooperation has been a major feature in addressing common transregional problems and development interests. The Mauritius Declaration[6] and the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,[7] in 2005, gave a central role to South-South cooperation, especially in plans for an early-warning system and insurance arrangements for countries affected by natural disasters. South-South cooperation was also a significant feature of the plans adopted by the World Summit on the Information Society during its second phase in November 2005. The Tunis Commitment and the Tunis Agenda for the Information Society reaffirmed steps to build an inclusive, development-oriented information system, and subsequently Indian technicians developed the affordable Simputer for village use.

32. Another important initiative was the 2006 decision by the Group of 77 to re-focus the Third World Network of Scientific Organizations as the Consortium on Science, Technology and Innovation for the South. Also in 2006, at the suggestion of the Group of 77, the Convention on Biological Diversity began the process of formulating a four-year plan of action on South-South cooperation in biodiversity. Another significant activity that year was the establishment of the Capacity-building Programme against Terrorism of the Intergovernmental Authority on Development. As transnational security threats such as terrorism and pandemic diseases such as HIV/AIDS have grown, so have South-South cooperation initiatives to counter them, although much remains to be done.

Bilateral and multilateral initiatives

33. Most South-South cooperation takes place under bilateral agreements, including some negotiated at the institutional level. The Turkish Standards Institute has worked with partners in Bulgaria, Cuba, India, Mongolia, the Republic of Korea and the Republic of Moldova. South-South cooperation also involves multi-country agreements or regional arrangements. In addition to bilateral agreements, the technical cooperation programme works under the umbrella of the Association of

[6] *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005* (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex I.

[7] Ibid., annex II.

South-East Asian Nations (ASEAN), as does the Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin.

34. The roles of regional organizations have ranged from that of platform or umbrella to active promotion. The Latin American economic system has been remarkably proactive, helping to fashion regional technical cooperation strategies, getting national officials to focus on the need for joint strategy (1993), and then obtaining agreement on the methodology for programming, negotiation, follow-up and evaluation (1994).

South-South networking

35. Underpinning all of the above has been an increasingly complex network of experts, officials, business contacts, institutional linkages and information flows. The creation of such networks has been a key feature of South-South cooperation, and is perhaps its most valuable contribution to the collective self-reliance of developing countries. The ease with which networks can be created and maintained on the Internet and World Wide Web, and the spread of mobile telephone usage across Africa, Asia and Latin America, have created an unprecedented level of social connectivity and democratized the historically elite privileges of long-range and mass communications. For instance, women, among the most vulnerable members of societies, have been active in building South-South non-governmental networks for improving their status and addressing major economic, social and political concerns.

36. In sum, all developing countries have been increasingly involved in South-South exchanges, though the more advanced play a pivotal role. Most initiatives are bilateral, but multilateral exchanges are on the increase in terms of dialogue and initiatives to address transnational challenges. Networks are also on the rise, but many more are needed. Multi-country activities need to go further and focus on strategic objectives, such as cooperation in science and technology, health, education, infrastructure development, energy and the environment.

B. Developed countries

Complementarity of South-South cooperation

37. The Buenos Aires Plan of Action[1] makes five points with regard to the role of developed countries. One is the need for "greatly increased, concerted efforts" by developed and developing countries because the progress of each group is affected by the "policies and performance" of the other (paragraph 4). Second, that technical cooperation among developing countries "in no way reduces the responsibility of developed countries to undertake the necessary policy measures, in particular, the increase of development assistance" (paragraph 6). Third, that technical cooperation among developing countries "is neither an end in itself nor a substitute for technical cooperation with developed countries". Fourth, that intensified linkage with the North "is required for the transfer of appropriate technologies and also for the transfer of advanced technologies and other expertise in which they have manifest advantages". And finally, that technical cooperation "can serve the purpose of increasing the capacity of developing countries to adapt and absorb appropriate inputs from developed countries" (paragraph 8).

38. While developed countries joined the consensus on the Plan of Action in Buenos Aires, their participation was muted during the cold war period. Those that responded to UNDP questionnaires even as late as 1993 were frank in acknowledging that they had no technical cooperation among developing countries component in their development aid. Those that did have such a component were involved largely in financing advisory services from developing country experts. Attitudes began to change in the 1990s. The New Directions concept of triangular cooperation marked a turning point. "Very few cases of support for technical cooperation among developing countries from donor countries through their bilateral aid programmes have been reported", UNDP stated in its 1995 submission to the High-level Committee on the Review of Technical Cooperation among Developing Countries (TCDC/9/2, para. 49), but it went on to say how a number of developed countries, including Australia, Austria, France, Germany, Japan, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, were supporting South-South cooperation projects.

Emergence of triangular cooperation

39. The first developed country to offer substantial and sustained support for South-South cooperation was Japan, which used the 1993 Tokyo International Conference on African Development to launch a broad programme. Part of that programme was financed through, and overseen by, the UNDP Special Unit for Technical Cooperation among Developing Countries, now known as the Special Unit for South-South Cooperation. The first Tokyo International Conference has been followed by summit-level meetings at five-year intervals, and, increasingly, other donor countries have joined. Japan initiated a series of productive Asia-Africa Business Forums to advance Asia-Africa trade and investment. It supports West African researchers and institutions in developing New Rice for Africa or NERICA: high-yield, pest-resistant rice varieties adapted to regional conditions. In 2005, the Japan International Cooperation Agency launched the Asia-Africa Knowledge Co-creation Programme to engage African and Asian participants in sectors crucial to African development. Another initiative sought to encourage economically robust developing countries to become providers of development assistance themselves. Brazil, Chile, Egypt, Mexico, Singapore and Tunisia have participated in this partnership, which sets targets, shares costs and provides experts for training programmes in third countries. Japan also supports a number of broad regional cooperation arrangements: the development of the Mekong River Basin and the African Institute for Capacity Development.

40. In the last decade the European Union and its member States, the Nordic countries and the United States have all provided substantial funding for many South-South initiatives. In 2003, the High-level Committee lauded a European Union move to draw its 12 Mediterranean partners into a Euro-Mediterranean partnership.

41. Developed countries ascribe their support for triangular arrangements to greater developing country "ownership" of South-South cooperation projects. Use of developing country experts is cost-effective besides being culturally and socially appealing. Triangular support has been extended most often for training programmes. There has also been support for the creation of issue-specific management and technological systems, adaptation of technologies, use of Southern

experts for project implementation and advisory services, support for centres of excellence and networking of Southern institutions.

42. In 2002 the United States Centers for Disease Control and Prevention and its Agency for International Development published a report entitled *South to South Collaboration: Lessons Learned*, which underlined the importance of project design to determine the most appropriate approaches to South-to-South collaboration. Other determinants of success were clearly identified objectives, appropriate and committed participants, ongoing monitoring and follow-up evaluation. Longer-term relationships and continued funding were more beneficial to both donors and recipients than one-time projects.

43. Donor countries on the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD) have tried to partner with a number of middle-income developing countries to provide development assistance to the least developed countries.

C. Regional and interregional initiatives

Regional initiatives

44. The regional recommendations for action in the Buenos Aires Plan of Action[1] aimed to: (a) strengthen existing institutions and organizations; (b) develop inter-institutional links in high-priority areas; (c) reinforce the capacities for data collection and analysis; and (d) improve regional information systems for technical cooperation among developing countries (paragraph 34). On this strengthened institutional and information base, governments were to initiate cooperative projects. The systematic process recommended by the Conference on Technical Cooperation among Developing Countries has not been followed in any region. However, regional organizations have proliferated, motivated by economic and political aims. In the 1990s, as the Uruguay Round of trade negotiations approached the goal of a rules-based world trade system under the auspices of WTO, there was a rush to create regional trade agreements that would give countries some more policy space in the global order. By the end of 2008, WTO had been notified of 421 regional trade agreements, and another 400 waited in the wings. Some 40 per cent of these are estimated to be South-South.

45. Many networks of cooperation in key areas developed during the first decade of technical cooperation among developing countries have now grown into treaty-based regional arrangements, with interregional links.

Building subregional and regional neighbourhoods

46. The recent economic dynamism of some developing countries has given greater energy to regional integration schemes. Latin American countries created the South Bank in 2007 to finance development in the region. The Central American Common Market, the Caribbean Community (CARICOM), the Andean Community and the Common Market of the South (MERCOSUR), have established an institutional and regulatory framework to facilitate their linked land and sea transport networks. In Africa, the Common Market for Eastern and Southern Africa (COMESA) has introduced the Trade and Transit Transport Facilitation Programme, while the Southern African Development Community (SADC) has adopted the

Protocol on Transport, Communications and Meteorology. ASEAN has adopted the Road Map towards an Integrated and Competitive Maritime Transport. Members of the Economic Cooperation Organization (ECO) have embarked on a number of intraregional trade and transport initiatives in Central and West Asia. Already functioning is a new railway cargo service that links Almaty in Kazakhstan to the capitals of other Central Asian republics, the Islamic Republic of Iran and Turkey.

47. Africa and South America are in the process of shaping continental unions. The 14 subregional organizations in Africa are to be consolidated into the African Union under the Constitutive Act which came into effect in 2002. Some of its structures — such as the Parliament and the Peace and Security Council — have already begun to function. In terms of development cooperation, African States have been focused since 2001 on the New Partnership for Africa's Development, a strategic concept for integrated action with peer-reviewed oversight. The implementation process of the Partnership is building momentum. Long-standing aspirations to form the "United States of Africa" have been revived and concrete plans have been unveiled by the five States members of the East African Community for the formation of a single federal State.

48. The journey of South America to continental union is also progressing — the Constitutive Act of the Union of South American Nations was signed in May 2008 — and a European Union-like entity is expected to be functional by 2019. The Union will consist of all members of MERCOSUR and the Andean Community, a total of 12 States. The impetus towards regional economic integration in the South will be furthered by alignment with those initiatives.

Interregional initiatives

49. Interregional cooperation has also been on the rise in recent years. In 2005, Asian and African cooperation was further solidified with the establishment of the new Asian-African Strategic Partnership and echoed by the increasing trade and investment flows between the regions. Also in 2005, the South American Community of Nations organized the first South America-League of Arab States summit in Brazil, and in 2006 co-convened the South America-Africa summit held in Nigeria. In advance of the twenty-fourth session of the Governing Council of the United Nations Environment Programme (UNEP) in 2007, Arab States and Latin American countries agreed to establish a joint framework for cooperation in areas relating to environmental protection in sectors such as drought, climate change, renewable energies, water resources, pollution control and urban environmental protection.

50. In addition to region-wide initiatives, individual countries have invested in interregional initiatives. Both China and India have convened meetings attended by many African leaders at which continental priorities are kept in view as bilateral programmes are agreed. Both countries have forged strong ties with Latin American countries and the Arab region. Malaysia began in 1996 to develop "smart partnerships" with Southern African countries to share their experiences in the creation and implementation of their national vision through international dialogue. The development agency of Turkey had overseen 930 projects and activities undertaken in 90 developing countries as of 2007, and has a history of dedicating more than two thirds of its development budget to South-South programmes.

51. The India, Brazil and South Africa multilateral initiative involves a range of activities: from an anti-hunger project managed through UNDP to collaboration in areas of high technology. Furthermore, the dialogue between those three States has played an important role consolidating and facilitating interregional South-South cooperation as reflected in its unanimous support for the establishment of a working group to implement the India-MERCOSUR-South African Customs Union Trilateral Free Trade Agreement at the first summit meeting of the three countries.

D. United Nations support to South-South cooperation

1. Catalytic role

52. The Buenos Aires Plan of Action initially posed formidable conceptual challenges for the United Nations system. Organizations used to implementing projects that simply required knowledge of developing country logistics now needed to understand their economic, social, historical and cultural realities. All but two of the recommendations of the Plan on regional, interregional and global matters called for action by the United Nations system on a scale never before attempted. "The entire United Nations development system must be permeated by the spirit of technical cooperation among developing countries and all its organizations should play a prominent role as promoters and catalysts", the Conference stated in paragraph 45 of the Plan.[1] Initially that did not happen. During the first decade of Plan implementation every biennial progress monitoring report of the High-level Committee expressed dissatisfaction with the performance of United Nations organizations. Guidelines on technical cooperation among developing countries for United Nations organizations were first set in the mid-1990s, and only by 2003 was performance subject to assessment.

53. During the first decade of implementing the Buenos Aires Plan of Action every biennial report of the High-level Committee expressed dissatisfaction with the performance of United Nations organizations. That led to the creation of the guidelines on technical cooperation among developing countries for United Nations organizations in the mid-1990s, followed by the performance assessment standards. United Nations organizations hit their stride in the second and third decades of implementation of the Plan, becoming firm advocates and proponents of South-South cooperation. Every programme now has a South-South cooperation component; for some it is a primary element of policy and programming.

2. Policy efforts

Convening role

54. In its role as convener, the United Nations has actively brought together Member States, private sector and civil society actors to create strategies and forge consensus towards developmental goals. The Millennium Development Goals represent an example of this function as they have pressed countries into creating national and regional strategies to reduce extreme poverty and hunger, while encouraging them to work together to achieve solutions throughout the developing world. A notable example of this is the South-South Cooperation Initiative of the United Nations Population Fund (UNFPA) and the Caribbean Community launched under the theme: "Transcending boundaries: uniting people" to build regional capacity by promoting greater access to technical assistance and training

opportunities in the areas of reproductive health and education, HIV/AIDS, life skills training, career planning, parenting and gender equality.[8]

Advocacy

55. Within the United Nations system UNDP is the leading advocate for South-South approaches to development. It performs this role through its support to the High-level Committee and to various forums for South-South dialogue. It also leads the preparation of analytical studies and United Nations system guidelines on South-South cooperation, including biennial reports by the Administrator and the Secretary-General to intergovernmental bodies on the state of South-South cooperation. Many United Nations agencies, funds and programmes assist UNDP by providing research and data on South-South trends in their respective fields.

Expert guidance and advice

56. Examples of expert advice and guidance provided by the United Nations system are contained in the *Creative Economy Report 2008*,[9] produced jointly by the United Nations Conference on Trade and Development (UNCTAD), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Intellectual Property Organization (WIPO), the International Trade Centre (ITC) and the UNDP Special Unit for South-South Cooperation. At the South-South Cooperation and Regional Integration Forum, hosted by UNCTAD as part of its Multi-year Expert Meeting on International Cooperation: South-South Cooperation and Regional Integration in Geneva in February 2009, participants explored ways to help insulate the South from the full effects of the financial crisis. UNCTAD has a long history of providing valuable research and data that help to inform policies of developing countries through the elucidation of trends and relevant economic analyses, particularly in the context of globalization.

Mainstreaming

57. South-South cooperation is being increasingly mainstreamed in the work and agendas of United Nations development agencies, funds and programmes. Since 2003, it has been integrated into the framework of the UNDP practice areas: democratic governance, poverty reduction, crisis prevention and recovery, energy and the environment, information and communications technology, and HIV/AIDS. Under its multi-year funding framework for 2004-2007, UNDP included South-South cooperation as one of the "drivers of development effectiveness",[10] requiring country offices to identify issues, help to establish the conditions necessary for cooperation, and promote the engagement of governments, the private sector and civil society. UNDP and the Special Unit for South-South Cooperation play a coordinating role in mainstreaming South-South cooperation throughout the United Nations system. UNDP, which oversees the resident coordinator system, fosters South-South cooperation through the United Nations country teams, while the Special Unit monitors, coordinates and promotes South-South cooperation in the United Nations development system. In addition, the Special Unit organizes the Global South-South Development Expo in conjunction with the annual United

[8] See SSC/15/1, para. 40.
[9] UNCTAD/DITC/2008/2.
[10] See SSC/15/2, para. 6.

Nations Day for South-South Cooperation and manages the United Nations Fund for South-South Cooperation.

58. Another example of United Nations agency commitment to South-South cooperation is the Bali Strategic Plan for Technology Support and Capacity-building, which emphasized South-South cooperation and was formulated under the auspices of the United Nations Environment Programme in 2005. Furthermore, on 23 July 2008 the Policy Committee of the United Nations Secretary-General issued decision No. 2008/26 on South-South cooperation, indicating that the United Nations had a "strong commitment to South-South cooperation as a critical tool for achieving internationally agreed development goals, including the Millennium Development Goals". Senior officials were asked to make further efforts to mainstream United Nations system support to South-South cooperation. Consequently, an inter-organizational collaborative framework is being prepared to enhance United Nations collective support to South-South efforts on food security, climate change and HIV/AIDS.

3. Programming efforts

Research and training

59. Research and training have constituted a major portion of the efforts made by the United Nations in supporting South-South cooperation. UNESCO leads this activity, as almost all of its programmes have traditionally involved countries interacting on a regional basis on issues such as educational standards, cultural development, scientific training and research. A particular success story has been the Third World Academy of Science, a South-South programme that, with UNESCO support, awards research and travel grants, fellowships and prizes for young scientists from developing countries, keeping some of the best talent in developing countries focused on the problems of the poor.

60. Another example of United Nations efforts is that of the International Trade Centre, a joint venture of UNCTAD and WTO, which provides developing countries with on-demand computer analyses of trade potential by country, region, sector and product. The Conference of the Parties to the Convention on Biological Diversity in May 2008 developed a multi-year plan of action for South-South cooperation on biodiversity for development, which includes a strong collaborative research component that emphasizes the exchange of scientific and technical knowledge and expertise, while undertaking strategic assessments and identifying common strengths and mutually beneficial opportunities.

Technical advice

61. The United Nations system is actively involved in providing technical expert guidance and advice using South-South means. Under the Special Programme for Food Security of the Food and Agriculture Organization of the United Nations (FAO), over 1,400 experts and technicians from the more advanced developing countries have lived and worked with farmers in countries that requested help. The Joint United Nations Programme on HIV/AIDS (UNAIDS) provides an example of the provision of expert services by the United Nations, via the establishment of Technical Support Facilities in 90 countries around the world that provide databases of local and regional experts and consultants, and offer technical support and capacity development activities in dealing with HIV/AIDS.

62. Similarly, a majority of experts provided by the United Nations Volunteers programme are from developing countries. In 2008, most of the volunteers fielded (79 per cent) came from developing countries, the majority of them from Africa. Over one third of the total served in their own countries, as national United Nations Volunteers, with the others carrying out international assignments across all regions. The United Nations Industrial Development Organization (UNIDO) has an ambitious programme to establish centres of excellence in developing countries. Likewise, in 1994, with the support of UNFPA, Partners in Population Development was launched as an intergovernmental network of more than 20 developing countries and has provided technical support and cooperation in population and reproductive health. The UNIDO South-South cooperation centres are being established in middle-income countries to facilitate exchanges of knowledge, experience and technology between them and the least developed countries. The first South-South Cooperation Centre was inaugurated in India in 2006 and similar centres have been established in Brazil, China, Egypt, the Russian Federation and South Africa.

Documentation of best practices

63. United Nations agencies have joined forces to document best practices in South-South cooperation relevant to their areas of work. The World Health Organization (WHO) maintains a regional information database on collaborating centres, expert advisory panels and committees, study and scientific groups and other mechanisms of collaboration for research, aiming to broaden opportunities for collaborative research, disseminate research findings and promote the accessibility of innovations and appropriate health-care technology and services. UNDP, in collaboration with the Government of Brazil, has established the International Poverty Centre in Brasilia, which promotes South-South cooperation on applied poverty research and training. Additionally, UNDP produces national and regional human development reports for which local scholars are engaged, constituting a significant advance in intellectual South-South cooperation.

Networking

64. Networking for development has strong United Nations support. UNDP has a number of "knowledge networks" covering its five practice areas and linking staff and experts around the world for information and knowledge-sharing. UNDP has since committed to further leveraging these networks for South-South cooperation. Since 2006 the Special Unit for South-South Cooperation in UNDP has been working to expand the South-South governmental focal point network to include civil-society and private-sector actors, focusing on subregional groupings such as the Economic Community of West African States, the Caribbean Community and the East African Community.

65. By bringing together these disparate groups in the subregion, the Special Unit is developing partnerships and relationships to drive development through formal and informal means, supplemented by a monthly newsletter featuring information on new technologies, business solutions, meetings and other information relevant to development. WHO has also been actively building regional networks of skilled institutions and partner organizations to facilitate technical assistance to the health sector. It does so through "knowledge hubs", which generate, adapt, distribute and exchange knowledge and experience through training and technical assistance.

UNIDO has led an initiative on South-South cooperation resulting in the creation of a capacity-building network for biosafety training which links the Universities of Concepción in Chile, Dar es Salaam in the United Republic of Tanzania and Malaya in Malaysia.

Technology transfers

66. UNCTAD has established a Network of Centres of Excellence that support technology and knowledge transfers to Africa through the training of scientists and technology experts. It also facilitates interaction among members of the Network and participants in the training courses organized in China, Egypt, India, South Africa and the United Republic of Tanzania. The South-South Cooperation Centres of UNIDO have technology transfer as part of their mission. The Special Unit for South-South Cooperation in UNDP has also established the South-South Global Asset and Technology Exchange mechanism, which facilitates South-South exchange and the transfer of development solutions and appropriate technology for sustainable development.

IV. New opportunities and challenges

A. South-South cooperation in global negotiations

1. Shaping global governance

67. The 1960s saw a spate of international agreements among Southern countries, including the Organization of the Petroleum Exporting Nations, the Movement of Non-Aligned Countries, the Association of South-East Asian Nations and the Organization of the Islamic Conference. However, the creation of the Group of 77 in 1964 was the act of South-South cooperation that opened the way for developing countries to participate actively in international negotiations and global governance. That involves marshalling facts and figures about complex issues, working out a strategy acceptable to all its member States (now over 130), and engaging in detailed, line-by-line negotiation of resolutions and plans of action on the entire range of international issues.

68. Considering the complexity of the Group of 77 with its diverse membership and many different interests, those negotiations have been a significant success. The Group has dealt creatively and well with complex issues such as the law of the sea and global environmental challenges, without letting the often conflicting interests of its members harm its basic solidarity. The Group has also gained from its diversity by encouraging the articulation of sub-group development strategies such as those of the least developed countries and landlocked and small island developing States. The Group has engaged on every issue on the United Nations agenda from a developmental angle. In 1971 the Group began operating through a Group of 24 at the International Monetary Fund and the World Bank. In 1994, at its thirtieth anniversary meeting, it agreed to establish chapters at all major United Nations centres worldwide — Geneva, Nairobi, Paris, Rome and Vienna. Another initiative in 1994 was the creation of a joint coordination mechanism with the Movement of Non-Aligned Countries.

69. The Group of 77 has not only provided the United Nations system with its core constituency on traditional development issues, but has brought new concepts to the global negotiating table, such as the right to development, and the national ownership of plant and animal genetic resources. The Group has also participated creatively in negotiations on subjects such as the International Criminal Court and reform of the United Nations. The growth of the United Nations system during the last few decades, including creation of the United Nations University and the International Fund for Agricultural Development (IFAD), has been almost entirely due to Group of 77 initiatives.

2. Responding to emerging crises

70. The new weight of developing countries in the world economy has fundamentally altered the dynamic of global negotiations. Formerly, developing countries had only a marginal role in world trade negotiations, but now that their manufacturing and markets have become globally important, there can be no successful outcome without their concurrence — as the suspended Doha Round demonstrates. Developing country interests in interregional economic partnership agreements are now focused as much on reciprocal trade preferences as on aid or technology transfer. In facing the current global financial crisis, developing countries have begun to press for a greater say in multilateral governance of the international monetary and financial system. They also want the system itself reformed to ensure that the international trading regime supports development goals. Achieving those goals will require increased coherence among the Group and stronger partnerships with the North, civil society, academia and the private sector.

B. South-South cooperation in trade, finance and investment

1. New growth poles in the South

71. When developing countries mobilized as the Group of 77 in 1964, they perceived the world economy as being divided between the industrialized "centre" and the agricultural "periphery" of the developing world. Less than five decades later the concept is irrelevant, as the industrialized world is now in economic crisis while the developing world continues to grow. Brazil, China and India, all powerhouses in the export of agricultural products, manufactured goods and information services, have been slowed but are projected to recover faster. Even Africa has been somewhat insulated from the falling demand for its commodities from developed countries. After a quadrupling of sales to developing countries between 1995 and 2005, a quarter of its ores and minerals, and 20 per cent of its petroleum, now go to Asia.

72. In the last decade, developing countries have become the biggest contributors to world trade. The emergence of China and its neighbours as the hub of global manufacturing made them the South-South centre of merchandise trade, which rose in value from $577 billion in 1995 to over $2 trillion in 2006. During the same period, the share of South-South exports in total exports increased by 7 per cent in Africa, 4 per cent in Asia and 3 per cent in Latin America and the Caribbean.[11] Manufactured goods now represent almost half of South-South flows; trade in

[11] See TD/B/C.II/MEM.2/2.

commodities, including fuels, has also grown, especially interregionally, with Asia becoming a vital market for Africa. More than 40 per cent of foreign direct investment goes to the least developed countries, with Argentina, Brazil, Chile, Mexico, South Africa and Asian countries among the major sources for these flows.[12] Despite the overall gains, however, the majority of benefits are seen to be concentrated in Asia (see table 1).

Table 1
South-South trade — destination breakdown, 2006[a]

(as a percentage of total South-South trade)

	Africa	*Americas*	*Asia*
Africa	1.4	0.6	2.6
Americas	0.6	5.8	3.3
Asia	4.3	3.9	77.6

[a] UNCTAD TD/425.

2. Policy coordination and non-State actors

73. National policies, often the result of South-South cooperation, have created the context to attract foreign investors. This is true particularly in Asia, which boasts a highly skilled labour force and excellent transport infrastructure. The subregion, excluding Japan, has 16 of 25 largest seaports in the world and 14 of the largest 25 container ports.

74. Southern transnational corporations are also on the rise, often spurring this increase in South-South foreign direct investment and other investment flows. The UNCTAD *World Investment Reports* from 1993[13] to 2005[14] indicate an increase in the number of parent transnational corporations in developing countries from 2,700 to 18,029. Over the last 20 years, the assets and employees of Southern transnational corporations have increased eighteenfold and threefold, respectively. Products are now produced around the world with parts drawn from various regions and countries, further illustrating the deepening integration of Southern firms and private sectors.

75. Developing countries have been participating vigorously in the current round of negotiations on the Global System of Trade Preferences among Developing Countries, which sets the framework to encourage South-South trade through preferential trade and tariff agreements allowed under WTO. Participants in the Global System account for about half of all developing country exports.

76. Developing economies have also become magnets for investment from all regions, including South-South flows. The outflow of foreign direct investment from developing countries, which hit a record $253 billion in 2007, is another clear South-South success story, for some 40 per cent of it has been intra-South. Developing country governments can take considerable credit for that, for they have created a framework of investment-friendly bilateral investment treaties to

[12] TD/B/C.II/MEM.2/2, para. 11.

[13] *World Investment Report 1993*, p. 20.

[14] *World Investment Report 2005*, annex A.1.8, pp. 264 and 265.

encourage foreign investment. Of the 2,608 such treaties now in existence, 27 per cent are between developing countries. In addition, their pro-business policies have promoted a rapid growth in the number of developing country transnational corporations included in the Fortune 500 list of the world's largest transnational corporations: from 19 in 1990 to 60 in 2009.

77. South-South complementarities have also emerged in investment flows. Similarities in environmental, climatic, cultural, economic and social conditions have translated into host-friendly foreign direct investment packages of technology, skills, know-how and business models. UNCTAD investment policy reviews in over 20 developing countries show that South-South investment tends to be labour-intensive and to create more jobs than the generally capital-intensive direct investments from the North. Asian investments in Africa tend to be new ventures rather than acquisitions of, or mergers with, existing corporations.

78. These developments point to the increasingly important roles that trade, finance and investment play in human development aided by national, regional and global policies often formulated through South-South cooperation.

C. Pressing challenges

1. Lagging social development

79. That people are the measure of all "development" is a truth often missing from international economic and social discussions. Every aspect of South-South cooperation discussed in this report is relevant to social development, but to emphasize its importance it is worth considering the relationship in a "stand-alone" manner. The primary characteristic of the present global social situation is the division of the world population of over 6 billion people into a two-thirds majority of poor people, living mostly in Africa, Asia and Latin America, and an affluent one third, living mostly in the industrialized societies of Europe, North America and parts of Australasia. That split, although tempered by the rising standard of living in a growing number of middle-income countries, is reflected in many ways, as recent issues of the *Human Development Report* have made clear:

(a) 1.4 billion people subsist on $1.25 or less a day, and 2.6 billion live on $2 or less a day;

(b) Almost 2 million children die each year for want of clean water and adequate sanitation. Every year, 8.8 million children die before their fifth birthday, most of them succumbing to diseases that have long been curable;

(c) The world's richest 500 individuals have a combined income greater than that of the poorest 416 million. The 40 per cent of the world's population that lives on $2 or less a day has only 5 per cent of global income, and the richest 10 per cent accounts for 54 per cent;

(d) In sub-Saharan Africa, less than 40 per cent of women receive skilled care during childbirth, and in South Asia less than 30 per cent of women receive such care. More than 60 million women each year deliver without skilled care;

(e) HIV/AIDS has reduced life expectancy in Botswana to 31 years. A Zambian today has less chance of reaching age 30 than a person born in England in 1840;

(f) Africa, with 14 per cent of the world's population, generates only 3 per cent of its electricity. The total installed power capacity of the continent is just over 100,000 megawatts, Southern Africa accounting for 47 per cent of that and Northern Africa for another 35 per cent;

(g) People seeking jobs and a better life have fled developing countries in massive numbers. There are an estimated 192 million migrants in the world today: one in every 35 people lives and works in a foreign country. The remittances they send home amount to more than official development assistance and humanitarian aid combined.

80. To address development challenges, civil society across the South has actively pursued activities from research and activism to provision of basic needs, often employing South-South means to achieve objectives. One example is the Third World Academy of Sciences, with its auxiliary structures, the Third World Organization for Women in Science and the Third World Network of Scientific Organizations — all of which support scientific research in developing countries. Social Watch, a non-governmental organization headquartered in Montevideo, publishes an annual report offering a developing country perspective on international developments. Another example is the Society for Women and AIDS in Africa, with a network of 40 grass-roots country offices advocating for women, children and families in the fight against HIV/AIDS.

81. Individuals have also had a positive effect on South-South interactions over recent decades, examples being Wangari Maathai and Mo Ibrahim, from Africa, for commitment to environmental protection, and for motivating African leaders towards more democratic governance, respectively. Bangladesh's Nobel Prize recipient, Muhammad Yunus, founded Grameen Bank based on the concept of microfinance, bringing economic independence to millions of the poor all over the developing world.

82. Governments have adopted numerous resolutions, declarations, conventions and treaties addressing many of the challenges facing developing countries. Governmental and non-governmental entities have launched consultative processes and knowledge-sharing networks, including many that are South-South. A people-centred development agenda requires government follow-up and implementation of existing treaties and agreements, as well as strong South-South and North-South commitment to the Millennium Development Goals.

2. Emerging crises

83. Global warming is the most serious emerging crisis today, caused by the release of industrial waste gases. If current trends continue, average global temperatures could increase by more than 5° Celsius in this century, whereas the threshold for dangerous climate change, causing irreversible ecological damage, is an increase of around 2° Celsius. If that happens, millions of people around the world would be affected by changes in patterns of food production, spread of communicable diseases, unavailability of water and rising sea levels. To counteract this, governments have sought to curb the emission of greenhouse gases by setting legal standards. Under the Kyoto Protocol to the United Nations Framework Convention on Climate Change,[15] most developed countries (excluding Australia

[15] United Nations, *Treaty Series*, vol. 2303, No. 30822.

and the United States) have agreed to reduce their emissions to specified targets by 2012.

84. There has been meaningful South-South action on one aspect of global warming: climate-related natural disasters. This is a part of an effort to improve disaster preparedness that began in the 1990s, and it has changed international policy significantly: disaster relief is no longer seen as an ad hoc activity, but one that needs to be planned and incorporated into programmes for sustainable development. The approach requires South-South cooperation, for the efficacy of disaster relief is heavily dependent on the speed and appropriateness of delivery. It emphasizes a proactive policy on informing, motivating and involving people in all aspects of disaster risk reduction in their own communities. It involves learning from past disasters to improve risk-reduction measures. The enabling framework for this approach is provided by the 1994 Yokohama Strategy for a Safer World,[16] the International Strategy for Disaster Reduction launched by the General Assembly and the Economic and Social Council as an inter-agency framework in 2000 (see General Assembly resolution 54/219), and by the Hyogo Framework for Action 2005-2015: Building the Resilience of Nations and Communities to Disasters.[17]

85. To implement the International Strategy as a South-South strategy, the World Bank created the Global Facility for Disaster Reduction and Recovery in 2006, backed by Australia, Canada, Denmark, the European Commission, Finland, France, Germany, Italy, Japan, Luxembourg, Norway, Spain, Sweden, Switzerland, the United Kingdom and the United States. The facility is expected to disburse $100 million between 2008 and 2015.

86. On other emerging crises such as the spread of toxic pollutants on land, sea and air, loss of biodiversity and rapid desertification — all matters on the agenda of the United Nations Environment Programme (UNEP) — governments have agreed to a strategic plan that includes South-South cooperation as one of eight components. It emphasizes institutional capacity-building and the important role of scientific knowledge and technology, which have a major influence on the way in which the resources of the Earth are used and shared among its inhabitants. The Conference of Parties to the Convention on Biological Diversity decided, at its May 2008 meeting, to elaborate a multi-year plan of action for South-South cooperation on biodiversity for development. In 2007, States parties to the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, had agreed to a 10-year strategic plan (2008-2018) that contains important South-South elements. They called for the creation of effective knowledge-sharing systems, including traditional knowledge, and identification and sharing of best practices and success stories. South-South cooperation is also invoked to ensure access to available technology.

V. Conclusions and recommendations

87. This century is witnessing the ascent of developing countries to positions of greater influence on the world stage. Economic prowess and collective bargaining have led to an increased voice in international economic negotiations and

[16] A/CONF.172/9, resolution 1, annex I.

[17] A/CONF.206/6 and Corr.1, chap. I, resolution 2.

institutions for global governance, including the United Nations, WTO and the recently established Group of 20. Despite these significant advances, developing countries need stronger mechanisms for effective policy coordination and related institutions, to spur greater collective action in a coherent manner. There is a need for dialogue on required policy and institutional reforms as well as capacity development to undertake monitoring and evaluation of South-South cooperation in implementing internationally agreed upon development goals. There is also a need for standards, rules and regulatory frameworks that could enhance South-South cooperation. Methodologies are required for gathering information on South-South flows of assistance and other forms of cooperation, including in-kind contributions and shared natural and knowledge resources. Studies of individual countries and regions in terms of their capacity assets and gaps should be undertaken to determine where to target South-South initiatives to achieve the greatest impact.

88. South-South flows of finance, trade and development assistance continue to be important for the growth of developing countries. This development assistance includes knowledge- and experience-sharing, training, technology transfers, in-kind contributions, cost-sharing arrangements, soft loans, credit lines and many other innovations. Thus there is a need to bring into the field new players who have the resources and the political will to assist other Southern countries.

89. The present report highlights the fact that while all developing countries have engaged in South-South activities, those more advanced have played a pivotal role as drivers of multi-country programmes, hubs for knowledge- and experience-sharing and as sources of expertise, technology and funding. Despite the advances achieved by these pivotal countries, however, there are still areas where they themselves require assistance, to build capacity and to ensure that the benefits of growth are equitably distributed to tackle the lingering pockets of poverty within their borders. Thus the asymmetries in development found in the South call for two types of assistance — that to meet the basic survival needs of those at the bottom rungs of development, and that which focuses on the needs of those who are advanced in the development scale. This dichotomy must be recognized and accommodated by donors and the United Nations organizations. Concurrently, developing countries should ensure that the necessary policy and institutional infrastructure is in place for them to avail themselves of the assistance to be proffered to them.

90. South-South development efforts have been increasingly supported by Northern donors through triangular arrangements. In a reverse action, in some cases Southern countries have been able to provide expertise and know-how to developed countries.

91. The findings also highlight the role of the United Nations as a catalyst of South-South initiatives and hint at its increasing role as broker between developing and developed countries, and as a facilitator of South-South and triangular cooperation. With its vast presence across the South, the United Nations system has the ability to discover the capacities and gaps existing in developing countries, while collecting, analysing and disseminating best practices and lessons derived from its ongoing development programmes.

92. The work of the United Nations should primarily focus on national capacity development in priority areas through facilitating intra- and interregional knowledge-sharing, engaging countries in difficult development circumstances with

those that have acquired higher technological and other capacities in mutually beneficial exchanges. The United Nations system should support South-South and triangular cooperation primarily from the regional perspective, by linking national centres of excellence, bringing in global normative expertise corresponding to the respective mandates of the United Nations funds, programmes and agencies, and exercising political neutrality in responding to local sensitivities, thus promoting subregional and regional integration processes.

93. These regional integration processes could be areas for further study and discourse, to enable the United Nations system to better support national capacity development schemes for building subregional and regional neighbourhoods in the South. Such initiatives bring greater benefits to a larger number of countries and peoples, but would also require adjustments to the institutional arrangements for funding and programming.

94. Southern countries have undertaken efforts at collective problem-solving, creating regional common markets, custom unions, institutional and regulatory frameworks, and inter-State transport and communications networks, but even bigger rewards may accrue as the concerted policies and actions of national governments work to transform similarities in environment, culture, language and geographical proximity into opportunities for creating value chains and vibrant regional blocs. Thus there is no turning away from the urgency for intensified efforts to stimulate and invigorate subregional and regional groupings through the formulation of policies and agreements that foster prosperous "neighbourhoods" for investment and trade leading to a plethora of further benefits.

95. Furthermore, for the United Nations system, these regional and subregional groupings provide opportunities to multiply the impact of its interventions, scaling up from a national to a higher level. They also provide opportunities for study and systematic analysis of the factors that lead to regional and subregional developmental successes.